

**U.S. Department of Housing & Urban Development
Buffalo, New York Office**



**2020
Annual Community Assessment Report**

For

Erie County, New York

**Program Year of
April 1, 2020 – March 31, 2021**

INTRODUCTION

Erie County, as a recipient of HUD Community Development Block Grant (CDBG), Home Investment Partnerships Program (HOME) and Emergency Solutions Grant Program (ESG) funding, is required to annually review and report on its progress in carrying out the goals and priorities of its Consolidated Plan. The Consolidated Annual Performance and Evaluation Report (CAPER) is designed to be a tool to report the activities undertaken during the previous year to both HUD and local community stakeholders and residents. Prior to submission to HUD, a grantee must make its CAPER available for review by interested citizens and stakeholders.

HUD has a responsibility to review the CAPER and the community's performance on an annual basis. HUD relies on the CAPER, financial data and audits, program records, on-site monitoring, and other resources to evaluate a grantee's overall performance and effectiveness. HUD may also consider relevant information pertaining to a recipient's performance gained from other sources, including litigation, citizen comments, and other information provided by or concerning the recipient. This review is an on-going process; however, this report summarizes a community's performance and its continuing capacity to administer HUD funds. This report is prepared to provide feedback on Erie County's performance in the delivery of programs and services using HUD Community Development funds. This report consists of four sections:

Section I provides a general overview regarding compliance and reporting accuracy

Section II evaluates grantee performance in key crosscutting functions

Section III evaluates the progress and performance of each specific HUD program

Section IV provides recommendations and/or areas for improvement

Programs Administered and 2020 Funding Amounts:

Community Development Block Grant (CDBG)	\$3,170,812.00
Community Development Block Grant (CDBG-CV)	\$4,326,655.00
Home Investment Partnerships Program (HOME)	\$ 940,446.00
Emergency Solutions Grant (ESG)	\$ 239,450.00
Emergency Solutions Grant (ESG-CV)	\$1,506,162.00

Assessment Period:

April 1, 2020 – March 31, 2021
1st Year of a 5-Year Consolidated Plan

Section I - Summary of Consistency with Consolidated Plan & Annual Action Plans

HUD's review of the CAPER determined that Erie County followed the HUD-approved Consolidated Plan and Annual Action Plan during the 2020 program year. The activities undertaken during the year are consistent with the County's Consolidated Plan goals, objectives, and priority needs. These goals, objectives and priority needs as stated in Erie County's 2020-2024 Consolidated Plan included the following:

- *Infrastructure Development:* To improve sewer/water and sidewalks, and, in targeted low-income neighborhoods, improve storm drainage, flood protection facilities, and vehicular access to areas of employment, recreation, and commercial activity.
- *Public Facilities:* To construct, expand, or improve community centers, libraries, youth and senior centers, particularly in low-income areas; develop, expand, and rehabilitate park, recreation, and open space facilities serving low-income areas; and enhance commercial centers through improved façades, infrastructure, and other public enhancements.
- *Public Services:* To provide enhancements to senior service programs, such as day care, health and nutrition, employment, supportive housing, and transportation; provide housing counseling and fair housing services to low-income persons, to improve access to decent, affordable housing.
- *Brownfield Redevelopment:* To provide technical assistance and funding for redevelopment of older urbanized areas that need additional assistance to succeed.
- *Business Development:* To provide financial and technical assistance to microenterprise businesses, and technical assistance and counseling to other types of businesses.
- *Housing:* To improve existing housing stock in neighborhoods and rural areas, assist with purchase of affordable housing, and support non-profit organizations in development of affordable housing.
- *Removal of Slum/Blight Conditions:* To demolish and clear buildings and land features that contribute to blight on a spot basis.
- *Homeless Needs:* To support operation of emergency shelters, provide rental assistance to prevent homelessness or re-house homeless persons, and provide supportive services to homeless individuals through housing search, counseling, and legal aid assistance.

The actual 2020 Program Year expenditures recorded in IDIS reflected that Erie County did expend HUD funds within the requirements of HUD funding regulations. The activities completed during this reporting period supported these goals, objectives, and priorities. Program activities and accomplishments were consistent with the Plan.

Performance Reports / CAPER Completeness

A Consolidated Annual Performance and Evaluation Report (CAPER) is due 90 days after the County completes its program year. The deadline was June 30, 2021. The County's 2020 CAPER was received in HUD's Buffalo Field Office on June 29, 2021. The report was determined to be substantially complete and adequately described the County's progress and performance throughout the program year. More detailed information and an assessment of accomplishments can be found in Section III of this report.

Section II - General Overview and Cross Cutting Areas

FHEO

Erie County's 2021 CAPER was evaluated by Region 2 Office of Fair Housing and Equal Opportunity (FHEO) on July 26, 2021 and determined that Erie County has a **low** risk status. A copy of the full FHEO CAPER review will be sent in a separate attachment. Any FHEO questions and concerns regarding this 2020 FHEO CAPER review should be addressed to Eduardo Padilla, Equal Opportunity Specialist at Eduardo.Padilla@hud.gov.

Citizen Participation

Erie County conducted the required hearings and public notifications to comply with the citizen participation requirements. Draft copies of the CAPER were mailed to all chief elected officials of the Consortium and Coordinating Committee. Erie County published public notices of the CAPER's availability in two local newspapers, the *Buffalo News* on June 11, 2021, and the *Buffalo Criterion* on June 12, 2021. A virtual public call-in hearing was held on Wednesday, June 23, 2021, because no formal public hearings could be held due to the Covid-19 pandemic. In addition, the draft CAPER was also made available for public review on Erie County's Web Page. No comments were received.

HUD Compliance Monitoring

CDBG - The most recent compliance on-site monitoring was conducted June 2021. There are no open findings.

HOME - The most recent compliance on-site monitoring was conducted during PY2014. There are no open findings.

ESG - The most recent Emergency Solutions Grant compliance monitoring was conducted in PY2016. There are no open findings.

ER - The most recent Environmental Review compliance monitoring was conducted in PY2019. There are no open findings.

Subrecipient Oversight & Monitoring

To ensure that regulatory compliance is maintained with program requirements, Erie County's Community Development staff meets monthly to review progress of all projects. Where progress has been slow, annual letters are also forwarded to Mayors and Supervisors. A mid-year re-evaluation process of projects is in place which allows for funding of unprogrammed projects identified in the 2020 action plan if funded 2019 projects may not be completed by the end of the program year. Erie County has implemented the following:

Annual spot residency checks on first time home buyer recipients

Annual spot residency and income checks on housing and Rental Rehabilitation recipients

Monitoring of Community Housing Development Organization (CHDO) projects to ensure compliance with income eligibility, rents, and other HOME requirements

Preparation of Annual Status Report to the County's Impediments to Fair Housing report

Preparation of annual MBE/WBE Contracting/Sub-contracting report to the federal Department of Housing and Urban Development (HUD). This document is reviewed by the County's Office of Equal Employment Opportunity to insure consistency with County Policy

Preparation of the semi-annual Labor Standards Report for submittal to HUD

A County monitor is assigned to each community in order to provide "hands on" assistance when preparing applications for CDBG funds and ensures eligibility, Davis-Bacon, MBE/WBE, and other federal requirements are understood by sub-recipient local governments

On-going Community Project monitoring table is maintained by program staff and reviewed at monthly update meetings. This serves as a good tracking tool to monitor each project's progress through the various CDBG procedural steps.

A monthly housing report is maintained by CDBG administrative staff to document and track notes payouts, current balances, and other items useful to the housing management section. Erie County currently has twelve (12) CHDO projects. No on-site inspections were conducted in 2020 due to the COVID-19 Pandemic. Desk reviews of all twelve (12) CHDO projects occurred in PY 2020. The 2019-20 Rural Transit Service, Inc. annual grant monitoring and closeout was conducted on November 12, 2020. The Town of Hamburg's HOME grant's annual monitoring was cancelled due to the pandemic. There were no findings in PY 2020.

Management

Erie County continues to maintain a solid institutional structure and staff with several years of experience. It has demonstrated adequate capacity to manage and provide oversight of the HUD-funded programs. The County has participated with all training and technical assistance opportunities offered by HUD.

Financial

Audits - A Single Audit must be submitted each year, nine months from the end of the County's fiscal year. The County's Single Audit Report is current through 12/31/2019 and Federal Financial Reports are current through 6/31/2020. The financial information reported by Erie County on the IDIS PR26 report appears to be complete, accurate, and sufficiently detailed to document the overall condition of HUD programs.

Section III – Specific Program Progress and Performance

Community Development Block Grant (CDBG)

National Objective Compliance: The CDBG program was designed to principally benefit low- and moderate-income persons. According to the PR26 CDBG Financial Summary Report, Erie County spent \$3,148,391.98 or 98.58% percent of its non-administrative funds on activities that principally benefitted low-moderate income persons. All activities reported appear to meet a national objective.

Activities

Program activities were adequately described during the reporting period. CDBG funds were spent on activities that were eligible under program rules. The CAPER and IDIS indicate that good progress was made towards meeting stated numeric goals for specific activities.

Accomplishments

**Sidewalk improvements were completed in the Villages of Alden and Lancaster*

**4 Micro-Loan projects were completed in the Town of Clarence, Grand Island and West Seneca*

**2 completed projects for facade improvements*

**4 facade improvement projects underway in the Village of Angola*

**3 facade improvement projects underway in the Hamlet of the Town of Eden*

**73 L/M households received housing assistance*

Financial

Planning and Administration: Based on PR26 CDBG Activity Summary by Selected Grant report for 2020, Erie County has not exceeded the 20% grant-based administrative cap for any open CDBG grants since 2015. Erie County expended \$534,228.13 or 17.55% of its overall spending on planning and administration.

Public Services: According to the County's 2020 CAPER and PR 26, Erie County expended \$3,751,684.16 or 11.27% of its overall spending on public services during PY2020. This is within the 15 percent limit.

Program Income: According to the County's 2020 CAPER and PR26, Erie County 's CDBG programs generated program income of \$514,395.94. This was confirmed by a review of IDIS records.

IDIS Data: A review of the IDIS Report PR 02, List of Activities by Program Year and Project Report and PR 05, Drawdown Report by Project and Activity Reports does confirm that Erie County maintains data in IDIS in a timely and accurate manner. The County should continue to monitor its IDIS records regarding the status of activities at least quarterly.

Expenditure Timeliness: The CDBG program requires that the County's unexpended CDBG funds be no more than 1.5 times their annual grant and unexpended program income, 60-days before the end of the program year. Erie County did meet the timeliness test with a timeliness ratio of 1.35% as of 1/31/2021.

Home Investment Partnerships (HOME)

Beneficiary Compliance: Beneficiaries were compliant with HOME low-mod income requirements.

Activities: Program activities were described for the reporting period. HOME funds were spent on activities that were eligible under program rules. The funded programs and accomplishments reported are on track, compared to the stated goals.

CHDO Projects: Desk reviews of the 12 CHDO projects occurred in PY 2020. All files were reviewed for compliance with HOME Rental requirements, including a verification of information submitted on the rent and occupancy report for rents charged and how incomes were calculated. HOME rents were at the appropriate level and relevant documentation was in good order.

Commitments/Reservations/Disbursements: Erie County did not exceed the 10% administrative cap and the 15% CHDO set-aside for HOME funds.

Program Income: According to the County's 2020 CAPER, Erie County expended \$719,691.00 in program income on owner occupied housing rehabilitation for low – moderate income persons.

Emergency Solutions Grant (ESG)

Activities: Erie County provided Rapid Re-Housing and Homeless Prevention during PY2019. No ESG funds were expended on street outreach or emergency shelter services. The county utilized two (2) subrecipients: Homeless Alliance of Western New York (HAWNY) and Restoration Society, Inc. (RSI). Erie County is an active partner with the Buffalo/Niagara Continuum of Care (NY-508). HUD has identified several system-wide performance benchmarks to measure its ESG Rapid Re-Housing and Homeless Prevention programs. This CoC community has prioritized the following performance measurements:

- Exit to permanent housing - 80%
- Increase/Maintain Earned Income - 30%
- Increase Other Income - 80%

Accomplishments

During PY2020, ESG activities were adequately described, and funds were spent according to program rules. Based on the SAGE, HUD's HMIS system, the following performance standards for Rapid Re-Housing (RRH) and Homeless Prevention (HP) were achieved.

Homeless Prevention (HP)

- 100% Exit to permanent housing
- 50% Increase Maintain Earned Income
- 13% Increase Other Income

Rapid Re Housing (RRH)

- 27 adults served, 17 exited

- 48% with DV history
- 7% entered fleeing DV situation
- 37% entered without income
- 8 adults exited
- 94% exited to permanent housing (PH)

Based on the most current IDIS PR91 report, here is a summary of ESG funds for PY2018, PY2019, PY2020:

ACTIVITIES	2018 Funds Drawn	% of Grant Drawn	2019 Funds Drawn	% of Grant Drawn	2020 Funds Committed	2020 Funds Drawn	% of Funds Drawn
Street Outreach	\$0.00	0.00%	\$0.00	0.00%	\$0.00	\$0.00	0.00%
Shelter	\$0.00	0.00%	\$0.00	0.00%	\$0.00	\$0.00	0.00%
Homeless Prevention	\$58,091.27	26.16%	\$51,243.18	22.14%	\$84,597.00	\$0.00	0.00%
Rapid Re-Housing	\$135,546.28	61.03%	\$136,789.89	59.11%	\$126,895.00	\$0.00	0.00%
HMIS	\$12,000.00	5.40%	\$10,000.00	4.32%	\$10,000.00	\$10,000	4.18%
Administration	\$16,446.45	7.41%	\$17,357.00	7.50%	\$17,958.00	\$17,958	7.50%
Funds remaining	\$0.00	0%	\$16,036.93	6.93%	\$239,450.00	\$211,492	88.32%
TOTAL	\$222,084.00	100%	\$231,429.00	93.07%	\$239,450.00	\$27,958.00	11.68%

Financial

Commitments and Disbursements: ESG program regulations require that the County obligate or “commit” 100 percent of the grant award within 180 days after grant award, and that the County expend 100 percent of the grant within 24 months after grant award. **\$211,492.00** must be expended by 5/04/2022. The County appears to be committing funds and making disbursements for activities within the required timeframes. Program progress has been determined to be satisfactory.

Match Requirement: The ESG program requires a dollar-for-dollar or 100 percent match in cash or services. Erie County reported adequate match totaling **\$3,927,616.00** for **PY2020** from local government funds.

Section IV – Summary and Recommendations

Based on the information that was available at the time of this review, HUD has determined that Erie County is administering its CDBG, HOME and ESG Programs in a satisfactory manner and has demonstrated continuing capacity to carry out these HUD Programs.

Recommendations

1. The County is encouraged to reach out to HUD’s FHEO Division regarding the FHEO recommendations specified in their report.
2. The County should continue to monitor its IDIS records regarding the status of activities at least quarterly.
3. The County should update its 2019 PR26 in IDIS to update line 38, 39 and 40.

4. The County is encouraged to take advantage of any training and technical assistance opportunities that will be offered by HUD.
5. The County is encouraged to utilize multiple methods to engage individuals with limited English proficiency.

This report was prepared by:

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HUD is providing you the opportunity to review this assessment and comment. Based on the information available at the time of this review, HUD has determined Erie County has the continuing capacity to carry out HUD programs identified in this report.

If you have any questions or would like to discuss the Assessment Report, please contact Elizabeth McClam, Senior CPD Representative. Mrs. McClam can be reached at 716-646-7019. If you disagree with this assessment, please respond via email to: William.T.OConnell@hud.gov. Your response should identify any areas of disagreement and corrections or any additional comments you would like HUD to consider.